

REVENUE--(EXCISE).

(No. 13.)

SUBJECT No. 13.

Half the tree-tax to be paid to owners of date trees.

Messrs. Siddagangappa, Doraswami Iyengar and Venkatasamaiya, Chamrajnagar Taluk.

Messrs. Siddagangappa and Doraswami Iyengar.—At present the tree-tax recovered from Ramasamudra Municipality in respect of date trees situated on occupied lands is credited to Government entirely. It is only through the care of the owner of the lands that these trees have grown to yield some revenue to the State. If the owner had been careless, or cut the trees down, Government would not reap the benefit they are deriving now.

Further, the owners of lands in which these trees grow, are held responsible for the tree-tax whenever the contractors fail to pay the tax to Government. In most cases, the contractor is responsible for the killing of trees by overtapping. While the poor raiyat will have no benefit from the trees which are in his land and for the protection of which he takes great care, the contractor and Government are benefited. The *hiduvalidars* may therefore be given a portion of the tax so that Government interests may be better safeguarded by them.

First Member of Council.—The juice in the tree is the monopoly of Government. Therefore the tax should go to Government. The owner has no right to it.

Mr. Karnick Krishnamurti Rao said that this was very unjust and pleaded on behalf of the *hiduvalidars*. He added that if *hiduvalidars* are given some encouragement for preserving the trees, the revenue will increase.

Mr. Venkatasamaiya.—If the contractor does not pay tax, the owner of the land is made responsible for the same.

Dewan.—The question of responsibility will be investigated and considered.

REVENUE--(INCOME-TAX).

(Nos. 14 to 16.)

SUBJECT No. 14.

Reduction of Income-tax imposed on Joint Stock Companies.

Messrs. Kanni Settappa and D. Venkatarayappa, Chikballapur Taluk.

Mr. Kanni Settappa.—It is very hard that Joint Stock Companies have to pay Income-tax on their income at one anna in the rupee while persons are taxed according to a graduated scale. The Government under the present financial stringency refuse to lend money to raiyats and the help they were receiving from Government has ceased. These companies help the poor people to a great extent. During the Birthday Session of 1921, the subject was discussed and it was hoped that something would be done to reduce this abnormally high rate. The rate may be reduced so as to encourage industries.

Dewan.—Will be considered in connection with the amendment of the Regulation which will be taken up shortly.

SUBJECT No. 15.

Extension of the period for the payment of Income-tax.

Mr. A. Srikanthappa, Dodballapur Municipality.

Mr. A. Srikanthappa.—The present system of recovering the Income-tax in two instalments has been causing a lot of trouble to poor people. This is a great hardship for business men who have to meet several demands. The land revenue is recovered in four instalments to ease the raiyat and it cannot be understood why the same concession should not apply to the merchant class also.

Mr. Narayana Reddi.—The Government have derived an income of Rs. 3,000 and odd in the shape of penalties and fines, while nothing is recovered under this head in a big Presidency like Madras. This certainly is an indication that the people are really feeling the hardship of paying the tax in two instalments. It is very necessary that arrangements should be made to recover the tax in four instalments.

Dewan.—The question of recovering the tax in four instalments will be considered.

Mr. Karnick Krishnamurti Rao.—Income-tax may be abolished and a new tax imposed as in England.

SUBJECT No. 16.

Exempting from liability to pay Income-tax concerns yielding income of less than Rs. 2,400 per partner.

Mr. A. Srikanthappa, Dodballapur Municipality.

Mr. A. Srikanthappa.—It is laid down that no tax should be imposed upon an income which is less than Rs. 2,400. If a business is carried on by a number of persons as partners, the principal man is taxed for the whole income, instead of each partner being taxed for his share of the income. This is causing much hardship to the poor merchants. Therefore, whenever the income is distributed among the partners and the income after distribution is less than Rs. 2,400, an exemption may be granted.

Mr. Karnick Krishnamurti Rao.—Under the present system of levying Income-tax, poor people are put to much trouble. To avoid all this, the tax on income may be abolished entirely and some other uniform tax imposed. I have a few papers connected with this subject which I shall submit to Government, if desired.

Second Member of Council.—If the Companies are registered, the difficulties will disappear. It is not possible to consider this question.

Dewan.—Such Companies should be registered.

REVENUE—(FORESTS).

(Nos. 17 to 22.)

SUBJECT No. 17.

Re-investing Deputy Commissioners with control over forest administration in the district.

Mr. Kere Krishnappa, Gudibanda Taluk.

Mr. Kere Krishnappa.—When Deputy Commissioners had control of the forest administration of the district, there was no trouble to the public in forest matters. Since they have been divested of the control, much inconvenience has been caused to people in general. Hence it is prayed that the former system may be restored and the control of forest matters of the district vested in the Deputy Commissioner.

First Member of Council.—The State Forests are under the direct control of the Forest Department, while the other district jungles are still under the control of the Deputy Commissioner. Experience has shown that the State Forests are better administered by the Forest Department than by the Revenue Department.

Dewan.—In 1920 a committee was appointed to investigate this question. The report has been received and orders will issue shortly. We shall see for sometime how the present arrangement will work, and then we may consider this question again if necessary.